

DETAILED ACTION

Status of Claims

1. This action is in reply to an interview with the Applicant on 07 January 2010 and the response filed 21 September 2009.
2. Claims 1-43, 45, 50-64, 66, and 75-77 are cancelled.
3. Claims 44, 73, and 74 have been amended by the Examiner's Amendment presented below.
4. Claims 44, 46-49, 65 and 67-74 are currently pending and have deemed allowable for the reasons set forth below.

Examiner's Amendment

5. An examiner's amendment to the record appears below. Should the changes and/or additions be unacceptable to applicant, an amendment may be filed as provided by 37 CFR 1.312. To ensure consideration of such an amendment, it MUST be submitted no later than the payment of the issue fee.

6. Authorization for this examiner's amendment was given in a telephone interview with John Curry on 07 January 2010.

Listing of Claims:

Claims 1-43 (Cancelled).

44. (Currently Amended) A computer-implemented method for generating a securities transaction recommendation to participants in a financial trading system, comprising steps of:

[[at]] by a computer, receiving historical transaction data for a plurality of executed securities transactions over an electronic data network, the transaction data for each executed securities transaction including a security name, price of the security, industry of the security, total number of shares of the securities transaction, a type of the securities transaction and an identification of ~~the~~ **a** party to the executed securities transaction and characteristics of that party;

receiving, **by said computer,** data for a proposed securities transaction, said data including security name, price, total number of shares, transaction type, industry of the security, identification of the party proposing the proposed securities transaction, and characteristics of the proposing party;

determining, **by said computer,** which executed securities transactions of said historical transaction data are relevant to said proposed securities transaction, the relevance being based on a match between one or more data elements of an executed securities transaction of said plurality of execution securities transaction with one or more corresponding data elements of the proposed securities transaction; **and**

generating, by said computer, a confidence indicator for each executed securities transaction determined to be relevant, said confidence indicator being a percentage indicating relative aggressiveness associated with an executed securities transaction;

generating, by said computer, a conviction indicator, wherein said conviction indicator is an average of confidence indicators for each combination of a security and a party to the transaction for each executed securities transactions determined to be relevant; and

generating, **by said computer,** a recommendation relating to said proposed securities transaction based on said transaction data of the executed securities transactions determined to be relevant to the proposed securities transaction, wherein said recommendation is generated by weighting each securities transaction of said securities transactions determined to be relevant based on at least a measured level of expertise of the identified party associated with the executed securities transaction **and by weighting the executed securities transactions determined to be relevant based on the associated confidence indicator or the associated conviction indicator,** and aggregating the weighted data.

Claims 45 (Cancelled).

46. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by further weighting each securities transaction of said relevant executed securities transactions based on a similarity of the executed transaction type to the proposed transaction type, and aggregating the weighted data.

47. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by further weighting each securities transaction of said relevant executed securities transactions based on a similarity of the relative size of the executed securities transactions to the relative size of the proposed transaction, and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions, wherein the weighting is achieved by assigning a factor to the executed transaction determined by the degree of similarity of transaction size.

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48. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by further weighting each securities transaction of said relevant executed securities transactions based on a similarity of the company represented by the equity of the executed securities transaction to the company represented by the equity of the proposed securities transaction, and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions, wherein the weighting is achieved by assigning a factor to the executed transaction determined by the degree of similarity of the companies, the greatest value being assigned in the case of the same company being the object of both transactions and the least value being assigned to companies that share no characteristics at all.

49. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by weighting each securities transaction of said relevant executed securities based on a recency of the executed securities transaction relative to said proposed securities transaction, and aggregating the weighted data.

Claims 50-64 (Cancelled).

65. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by further weighting each securities transaction of said relevant executed securities based on a similarity of the stated characteristics of the party of the executed securities transaction to the stated characteristics of the party of the proposed securities transaction, and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions, wherein the weighting is achieved by assigning a factor to the executed transaction determined by the degree of similarity of characteristics, the greatest value being assigned to identical characteristics and the least value being assigned to opposite characteristics.

Claim 66 (Cancelled).

67. (Previously Presented) The method as recited in claim 44, wherein the historical data is kept confidential from participants.

68. (Previously Presented) The method as recited in claim 44, wherein at least one weighting is negative.

69. (Previously Presented) The method as recited in claim 44, wherein the recommendation includes an indication of certainty, which is based on at least one of the total number of relevant executed securities transactions identified, the degree of relevance of the relevant executed securities transactions identified, or the number of different parties associated with the relevant executed securities transactions identified.

70. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by further weighting each securities transaction of said relevant executed securities based on the number of executed securities transactions by the transaction entity

71. (Previously Presented) The method as recited in claim 44, wherein a transaction type is at least one of buy, sell, and short.

72. (Previously Presented) The method as recited in claim 44, wherein said recommendation is generated by weighting each securities transaction of said relevant executed securities transactions based on demonstrated characteristics of the party to the transaction, and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions, wherein the weighting is achieved by assigning a factor to the executed transaction determined by the degree of similarity of characteristics, the greatest value being assigned to identical characteristics and the least value being assigned to opposite characteristics.

73. (Currently Amended) The method as recited in claim 44, further comprising a step of generating a competence indicator for each combination of a security and a party to the transaction for each executed securities transaction determined to be relevant, said competence indicator demonstrating relative demonstrated ability of the party to the executed securities transaction, said relative demonstrated ability of the party to the executed securities transaction being based on at least the number of transactions by the party involving that security and the gains or

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losses of the transaction by the party involving that security, greater values being assigned to combinations of the party and security that have greater numbers of transactions, ~~and/or~~ greater gains, or some combination of greater numbers of transactions and greater gains associated with those transactions, lesser values being assigned to combinations of the party and security that have either lesser numbers of transactions, ~~and/or~~ greater losses, or some combination of lesser numbers of transactions and greater losses associated with those transactions, and still lesser values being assigned to combinations of the party and security that have greater numbers of transactions and greater losses associated with those transactions wherein said recommendation is generated by weighting the executed securities transactions determined to be relevant by the associated competence score and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions.

74. (Currently Amended) The method as recited in claim 44, ~~further comprising a step of generating a confidence indicator for each executed securities transaction determined to be relevant, said confidence indicator being a percentage indicating relative aggressiveness associated with an executed securities transaction and wherein said confidence indicator is~~ based on at least one of the size of the transaction relative to the executing party's total investment holdings at the time of transaction, the size of the transaction relative to the executing party's total cash available to invest at the time of transaction, or the size of the transaction relative to the executing party's other executed transactions, ~~wherein said recommendation is generated by weighting the executed securities transactions determined to be relevant by the associated confidence indicator and aggregating the weighted data by summing the weighted values of said relevant executed securities transactions.~~

75. (Cancelled) ~~The method as recited in claim 74, further comprising a step of generating a conviction indicator, wherein said conviction indicator is an average or other aggregate assessment of confidence indicators for each combination of a security and a party to the transaction for each executed securities transactions determined to be relevant, and said recommendation is generated by weighting the executed securities transactions determined to be relevant by the associated conviction indicator and~~

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~~aggregating the weighted data by summing the weighted values of said relevant executed securities transactions.~~

Claims 76-77 (Cancelled).

Statement of Reasons for Allowance

7. The following is the Examiner's statement of reasons for allowance.

8. The Applicant's claimed invention is directed toward a method of generating a securities transaction recommendation to participants in a financial trading system. Prior art methods and systems consist of various investment management techniques for making recommendations to investors. For example, Robinson (6,484,152) discloses a method of automatically selecting a securities portfolio based on a set of investment characteristics and objectives. Peng et al. (7,299,204) discloses an investment recommendation system based on the historical performance of the individuals recommendations. Kam et al. (7,062,458) similarly discloses a portfolio construction method and system based on market factors and investor performance. However, none of the cited references nor the prior art disclose a method of generating a securities transaction recommendation based on a weighted model of selected relevant historical transaction data, a level of expertise of an identified party of the selected transaction data, and a conviction indicator measuring the relative aggressiveness of the selected transaction data. Accordingly, the claimed invention, in light of the Examiner's Amendments, is deemed allowable.

9. Any comments considered necessary by applicant must be submitted no later than the payment of the issue fee and, to avoid processing delays, should preferably accompany the issue fee. Such submissions should be clearly labeled "Comments on Statement of Reasons for Allowance."

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thomas M. Hammond III whose telephone number is 571-270-1829. The examiner can normally be reached on Monday - Friday, 7AM - 5PM EST.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Charles Kyle can be reached on 571-272-6746. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

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/Thu Thao Havan/
Primary Examiner, Art Unit 3695